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Methodological issues under the Convention
Work programme on the revision of the guidelines for the review of biennial reports and national communications, including national inventory reviews, for developed country Parties

Report on the technical workshop on the draft revised guidelines for the technical review of greenhouse gas inventories from Parties included in Annex I to the Convention

Note by the secretariat

Summary

This report provides a summary of the discussions held during the technical workshop on the revision of the "Guidelines for the technical review of greenhouse gas inventories from Parties included in Annex I to the Convention". The workshop, co-chaired by Ms. Riitta Pipatti (Finland) and Mr. Brian Mantlana (South Africa) and held from 8 to 10 April 2014 in Bonn, Germany, was organized under a work programme of the Subsidiary Body for Scientific and Technological Advice (SBSTA). The report, together with the draft revised guidelines for the technical review of greenhouse gas inventories from Parties included in Annex I to the Convention that reflect the discussions at the workshop (FCCC/SBSTA/2014/INF.10), is forwarded to SBSTA 40 for consideration under the relevant agenda item.

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Contents

		Paragraphs	*Page*
I.	Introduction	1–6	3
	A. Mandate	1–4	3
	B. Scope of the note	5	4
	C. Possible action by the Subsidiary Body for Scientific and Technological Advice	6	4
II.	Proceedings of the workshop	7–13	4
III.	Summary of discussions	14–39	5
	A. Principles of the review	14–18	5
	B. Stages of the review of greenhouse gas inventories of Annex I Parties	19–20	6
	C. Operational approaches to the individual inventory review: desk, centralized and in-country reviews	21–25	7
	D. Scope and focus of the different stages of the review	26–34	8
	E. Timing of the review stages	35–36	9
	F. Reporting	37–39	10
IV.	Outcome of the workshop	40	10

I. Introduction

A. Mandate

1. The Conference of the Parties (COP), by decision 1/CP.16, paragraph 46, decided on a work programme, building on existing reporting and review guidelines, processes and experiences, covering the revision of guidelines for the review of national communications (NCs), including biennial reports (BRs), annual greenhouse gas (GHG) inventories and national inventory systems. The COP, by decision 2/CP.17, paragraph 28, decided to establish a work programme under the Subsidiary Body for Scientific and Technological Advice (SBSTA).

2. SBSTA 36 initiated its consideration of the work programme, including the organization of technical workshops. SBSTA 37 agreed on the elements and timeline for the work programme on the revision of the guidelines for the review of BRs and NCs, including national inventory reviews, for developed country Parties.[1] At the same session, the SBSTA also requested the secretariat to organize two workshops:

(a) The first technical workshop on the revision of the guidelines in October 2013 to discuss the overall approach to the review process related to BRs, NCs and GHG inventories, as well as the revision of the review guidelines for BRs and NCs;

(b) The second technical workshop in the first half of 2014 to continue discussions on the "Guidelines for the technical review of greenhouse gas inventories from Parties included in Annex I to the Convention" (hereinafter referred to as the UNFCCC Annex I inventory review guidelines).

3. At SBSTA 39, Parties were invited to submit to the secretariat detailed views on the structure, outline, key elements, including the purpose and scope of the review, timing and reporting, and content of the UNFCCC Annex I inventory review guidelines. At the same session, the SBSTA agreed that, in their consideration of the revision of the UNFCCC Annex I inventory review guidelines, Parties should take into account experience with the review of information submitted by Parties included in Annex I to the Convention (Annex I Parties) and the need to have a cost-effective, efficient and practical review process that does not impose an excessive burden on Parties, experts or the secretariat. At the same session, the SBSTA requested the secretariat to prepare a synthesis report[2] on those views and a revised draft of the UNFCCC Annex I inventory review guidelines[3] based on those submissions,[4] as input to the second technical workshop under the work programme referred to in paragraph 1 above.[5]

4. The COP adopted, by decision 23/CP.19, the guidelines for the technical review of BRs and NCs by Annex I Parties. The annex to that decision contains a placeholder for the UNFCCC Annex I inventory review guidelines, to be further discussed at SBSTA 40, with a view to adopting a decision on these guidelines at COP 20.[6]

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[1] The work programme with specific timelines and activities for 2013 and 2014 is contained in FCCC/SBSTA/2012/5, annex I.

[2] FCCC/SBSTA/2014/INF.3.

[3] FCCC/SBSTA/2014/INF.4.

[4] The submissions received are available at <http://unfccc.int/documentation/submissions_from_parties/items/5901.php>.

[5] FCCC/SBSTA/2013/5, paragraph 68.

[6] FCCC/SBSTA/2013/3, paragraph 88(b).

B. Scope of the note

5. This report covers the proceedings of, and discussions during, the technical workshop on the revision of the UNFCCC Annex I inventory review guidelines (hereinafter referred to as the workshop), held under the work programme as described in paragraph 1 above. The participants of the workshop produced a revised draft of the UNFCCC Annex I inventory review guidelines, which, together with the guidelines for the review of BRs and NCs under the Convention adopted by decision 23/CP.19, is contained in document FCCC/SBSTA/2014/INF.10.

C. Possible action by the Subsidiary Body for Scientific and Technological Advice

6. SBSTA 40 may wish to take into account this workshop report, the views submitted by Parties and the synthesis report on those submissions, mentioned in paragraph 3 above, and the revised draft of the UNFCCC Annex I inventory review guidelines[7] in advancing its work on the revision of said guidelines.

II. Proceedings of the workshop

7. The workshop, organized by the secretariat, was held in Bonn, Germany, from 8 to 10 April 2014. Forty-nine participants representing 44 Parties (20 Annex I Parties and 24 Parties not included in Annex I to the Convention) attended the workshop. Mr. Emmanuel Dlamini, the Chair of the SBSTA, opened the workshop. At the request of the Chair, the workshop was co-facilitated by Ms. Riitta Pipatti (Finland) and Mr. Brian Mantlana (South Africa).

8. The aim of the workshop was to clarify Parties' views, seek convergence or find a middle ground for agreement, and to advance the technical drafting of the UNFCCC Annex I inventory review guidelines before SBSTA 40. This would help SBSTA 41 to complete the work on those guidelines and to forward a draft decision on the guidelines for adoption to COP 20, in accordance with the work programme adopted at SBSTA 37. The adoption of the UNFCCC Annex I inventory review guidelines at COP 20 is critical to enable Parties, review experts and the secretariat to implement the reviews of the GHG inventories submitted by 15 April 2015.

9. Following the opening of the workshop by the Chair of the SBSTA, at which the mandate and objectives of the workshop were elaborated, a presentation by representatives of the secretariat briefed participants on the current status of the work programme and the organization of the work.[8] Then, the key elements in the Parties' views submitted were summarized by workshop participants. The two following presentations, by the secretariat, introduced the synthesis report on the submissions from Parties and the draft revised UNFCCC Annex I inventory review guidelines referred to in paragraph 3 above.

10. Following the presentations referred to in paragraph 9 above and the subsequent exchanges of views, participants, guided by the co-facilitators, started discussions on the text of the guidelines, using the draft revised UNFCCC Annex I inventory review guidelines referred to in paragraph 3 above as a starting point. In the discussions, the participants further clarified their views and the rationale behind them, sought possible

[7] FCCC/SBSTA/2014/INF.10.

[8] The presentations made at the workshop are available at <http://unfccc.int/meetings/bonn_jun_2014/workshop/8097.php>.

directions for a convergence of views and identified issues that need to be further considered at SBSTA 40.

11. In the final session of the workshop, the co-facilitators summarized the discussions of the last three days and noted that the draft UNFCCC Annex I inventory review guidelines as revised at the workshop could serve as a basis for further discussion at SBSTA 40.[9] Finally, the Chair of the SBSTA closed the workshop.

12. Chapter III below summarizes the main points made during the technical discussions at the workshop and reflected in the text of the draft revised UNFCCC Annex I inventory review guidelines.[10]

13. All documentation relating to the workshop, such as the background documents, the workshop agenda, the list of participants and the presentations made by the secretariat, are available on the UNFCCC website.[11]

III. Summary of discussions

A. Principles of the review

1. Enhance the cost-effectiveness and efficiency of reviews

14. All participants acknowledged the importance of continued annual reviews of GHG inventories submitted by Annex I Parties, and, within this framework, suggested some examples of potential streamlining. For instance, some participants supported consolidating the current stages 1 and 2 of the annual review cycle into a single set of standardized checks, and some participants supported changing the periodicity of the third stage of the review (the review of individual annual inventories through centralized, in-country or desk reviews) to biennial, as possible alternatives to the current approach that would not jeopardize the quality and robustness of the reviews and contribute to the cost-efficiency of the process.

15. Specific suggestions discussed on improving the cost-effectiveness and efficiency of reviews included:

(a) Changing to biennial the periodicity of the current third stage of the review of GHG inventories (review of the individual annual inventory);

(b) Merging the current first two stages of the review process into a single stage of standardized checks (see para. 20(b) below);

(c) Focusing the work of the expert review teams (ERTs), including work on the most significant categories of emissions in the country (see paras. 16 and 26–34 below);

(d) Improving the presentation of information included in the annual review reports (see para. 39 below);

(e) Making better use of existing or new tools. Some examples proposed by participants included: a tool to track responses to questions and additional information provided by Parties during reviews so that the information may be considered at subsequent reviews and repetitive questions avoided, a tool to communicate online the results of stages 1 and 2 of the review and online conference tools to improve communication and reduce travel costs.

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[9] Included in document FCCC/SBSTA/2014/INF.10.

[10] As footnote 9 above.

[11] <http://unfccc.int/meetings/bonn_jun_2014/workshop/8097.php>.

16. Most participants noted the need to better focus the review, in particular by prioritizing efforts on the most significant categories of emissions and removals, and not considering minor issues. Some participants indicated the need for prioritizing the recommendations made in the review reports.

2. Promote consistency

17. Some participants expressed the need to continue efforts to promote consistency in the review process, especially in the third stage – during the review of individual annual inventories. Specific points included:

(a) Better reflect in the UNFCCC Annex I inventory review guidelines the quality assurance and quality control measures implemented in the previous review cycles;

(b) Continue to use the meeting of the lead reviewers of GHG inventories to promote consistency, especially of the recommendations made to different Parties in the reports of the third stage of the review of annual inventories, as well as those made to a specific Party by different ERTs over time. However, participants could not agree on whether the meeting of the lead reviewers could establish a unique interpretation on when the "Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part I: UNFCCC reporting guidelines on annual greenhouse gas inventories" (hereinafter referred to as the UNFCCC Annex I inventory reporting guidelines), the Intergovernmental Panel on Climate Change (IPCC) *2006 IPCC Guidelines for National Greenhouse Gas Inventories* or other guidance adopted by the COP could be interpreted differently;

(c) Introduce a different type of centralized review with more sectoral experts in one team and a more targeted focus of individual experts on specific source categories but with a larger number of countries under review. This could help improve consistency by bringing together, in a single review team, a larger number of experienced experts reviewing the same sector but for more countries than are currently reviewed by a single team. This would allow the experts to have a better overview of issues identified in a larger number of countries, helping to promote consistency in the treatment of similar issues across Parties.

3. Improve the timeliness of reviews

18. Participants noted the need to improve the timeliness of publication of the reports of the third stage of the review of annual GHG inventories without affecting the quality of those reports; the importance of strict adherence to the rules on timing was emphasized (see paras. 35 and 36 below).

B. Stages of the review of greenhouse gas inventories of Annex I Parties

19. The COP, by decision 19/CP.8, established the general approach to the reviews. Annex I Party inventories are reviewed on an annual basis, with the review consisting of the following three stages:[12]

(a) Initial check of annual inventories (stage 1);

(b) Synthesis and assessment of annual inventories (parts I and II) (stage 2);

(c) Review of individual annual inventories (stage 3).

[12] Paragraph 3 of the "Guidelines for the technical review of greenhouse gas inventories from Parties included in Annex I to the Convention", included in document FCCC/CP/2002/8.

20. The following options were discussed:

(a) Continue with the existing process;

(b) Have two stages: standardized checks and individual inventory reviews;

(c) Maintain annually stages 1 and 2, but change to biennial the periodicity of stage 3. For stage 3, one option is that it should happen in the years in which the Party was not subject to a review of the BR or NC, while another option is that the Parties be divided into two, with each half being subject to stage 3 in alternate years.

C. Operational approaches to the individual inventory review: desk, centralized and in-country reviews

21. The COP, by decision 19/CP.8, provided three operational approaches for stage 3 of the technical review, namely, desk reviews, centralized reviews and in-country reviews.[13] Participants noted that, currently, every year approximately three quarters of Parties are reviewed in a centralized review and the remaining Parties are visited for an in-country review. Desk reviews are, at present, rarely used.

22. For the revised UNFCCC Annex I inventory review guidelines, the following options regarding the use of desk reviews were discussed by participants:

(a) Continuing the existing operational approaches, including the use of desk reviews only as a contingency to be considered by the secretariat when difficulties or resource limitations are encountered;

(b) Including desk reviews in the planning and not using them only as a contingency.

23. The participants agreed that the use of a sectoral expert in a desk mode, when that expert is unable to attend a centralized or in-country review, should be considered as an ad hoc solution and not as a desk review as such.

24. Participants noted that the COP, by decision 19/CP.8, established that, in general, during a centralized review up to eight GHG inventories, and during a desk review up to five GHG inventories should be reviewed.[14] For the draft revised UNFCCC Annex I inventory review guidelines, participants agreed that up to four inventories should be reviewed during a centralized review. However, participants could not agree on the number of inventories (two, four or eight) that should be reviewed in desk reviews as it would depend on the circumstances under which desk reviews are conducted (i.e. only under contingency situations or as a more regular part of the review process).

25. Participants noted that, in practice, there may be a relationship between the frequency of stage 3 of the review of GHG inventories (annual versus biennial), the number of stages of review taking place in a given year for a given Party, the format of the review (desk, centralized or in-country), the emphasis placed on a given format in a given year (e.g. half of the Parties subject to desk reviews versus no desk reviews) and the number of inventories reviewed in that given format.

[13] Paragraph 18 of the "Guidelines for the technical review of greenhouse gas inventories from Parties included in Annex I to the Convention", included in document FCCC/CP/2002/8.

[14] Paragraph 19 of the "Guidelines for the technical review of greenhouse gas inventories from Parties included in Annex I to the Convention", included in document FCCC/CP/2002/8.

D. Scope and focus of the different stages of the review

26. Participants indicated that the current checks and assessments carried out by the ERT and the secretariat during the review process are, in general, appropriate. The options discussed focused more on improving the structure of those checks (see para. 20(b) above), especially the merging of stages 1 and 2, or focused more on each stage of the review (see paras. 28–30 below). Some participants indicated the need to regularly review the checks conducted to ensure that they remain useful and that no other checks are needed; the suggestion was made that the meeting of lead reviewers could be responsible for such regular reviews.

27. As noted above, some participants supported the merging of stages 1 and 2 of the review into a single set of standardized checks. Furthermore, those participants noted that the current individual checks should be evaluated with regard to their usefulness. Because the draft revised UNFCCC Annex I inventory review guidelines used as the basis of the discussion for the workshop[15] retained the separation of stages 1 and 2, participants continued to discuss the merit of individual checks in the current stages, as presented in paragraphs 28 and 29 below.[16]

28. For stage 1, participants indicated that the scope of the checks to be undertaken could stay broadly the same as that in decision 19/CP.8, except for removing the checks that are unnecessary or not applicable anymore (e.g. because of the checks that are implemented automatically in the CRF Reporter, such as the use of correct values for global warming potentials, presentation of hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs) by individual chemical species, and implementation of key category analysis).

29. For stage 2 (synthesis and assessment I and II), participants indicated that the checks on the ratio of potential to actual emissions for HFCs, PFCs and sulphur hexafluoride were no longer necessary. Participants also discussed what data sources could be used to compare the activity data in those databases with the data reported by Annex I Parties.

30. For stage 3, some participants noted that the COP, by decision 19/CP.8, established that this stage should focus on those areas of the inventory where problems, issues and/or recommendations were identified in previous reviews or stages of a review, or where changes have been reported by the Party.[17] Points raised included that this stage should focus on: key categories or categories that are not insignificant, the inventory for the most recent year submitted, recalculations and recent methodological changes.

31. In addition, for individual inventory review (stage 3 in the current guidelines), participants also discussed whether new checks should be added, for example, by:

(a) Examining national inventory arrangements for the estimation of anthropogenic GHG emissions by sources and removals by sinks, including all institutional, legal and procedural arrangements for reporting and archiving inventory information within an Annex I Party;

[15] FCCC/SBSTA/2014/INF.4.

[16] During the workshop, participants requested the secretariat to clearly distinguish two options: one retaining two stages of standardized checks, and one merging all checks into a single stage of the review. These options are reflected in document FCCC/SBSTA/2014/INF.10, annex, paragraphs 66–73.

[17] Paragraph 20 of the "Guidelines for the technical review of greenhouse gas inventories from Parties included in Annex I to the Convention", included in document FCCC/CP/2002/8.

(b) Comparing the activity data of the Annex I Party with relevant external authoritative sources, if feasible, and identifying categories where there are significant differences;

(c) Examining recalculations that exceed 2.0 per cent for individual categories and 0.5 per cent of national total emissions.

32. Participants discussed whether the different operational approaches to individual inventory review would each have a different focus, with the desk review being streamlined and focusing mainly on the findings of stages 1 and 2 (synthesis and assessment I), an analysis of significant recalculations and a review of whether, and if so, how, recommendations made in previous review reports have been implemented. No agreement was reached on this point, however, as participants concluded the focus of the desk review would depend on how the desk review is ultimately implemented (as a contingency scenario or as a more standard part of the process).

33. Also for the individual inventory review, participants discussed formalizing or better reflecting in the inventory review guidelines some of the procedures that are currently undertaken but not specifically outlined in decision 19/CP.8, for example, the useful procedures (e.g. quality assurance) and tools that the secretariat has introduced into the process, or informing the Party at the end of the review week on the provisional issues identified during the review.[18]

34. Some participants proposed that, in the individual inventory review, the ERT should inform the Party under review at the end of the review week whether there are any significant potential problems or issues related to mandatory requirements in the UNFCCC Annex I inventory reporting guidelines (including potential overestimations or underestimations). Under this proposal, a procedure could be developed, similar to that for the list of potential problems, issues and further questions raised by the ERT when reviewing Annex I Parties under the Kyoto Protocol.[19] The Party would have six weeks to respond with clarifications, corrections or explanations as to why the estimate is not an overestimate or underestimate. If no response is provided, the ERT would reflect the problem in the review report, including, if possible, a quantitative assessment of the problem or issue.

E. Timing of the review stages

35. Regarding the standardized checks, the timing discussed depended on whether option 1 (two stages of standardized checks) or option 2 (a single set of standardized checks) was being discussed (see para. 20 above). Proponents of option 1 converged on the idea that the current timelines for stages 1 and 2 are appropriate. For proponents of a single set of standardized checks, a deadline of eight weeks from submission was discussed.

36. For stage 3, participants considered that the review reports from a centralized review should be completed and published within 20–25 weeks, from a desk review within 15–20 weeks and for each in-country review within 14 weeks. Participants also discussed the timing of the different steps within this stage 3: the drafting of the annual review report by the ERT, the quality assurance/quality control procedures and editing by the secretariat, the

[18] Something similar to the "provisional main findings and recommendations" list provided to Parties subject to a centralized review, starting in the 2013 review cycle. See paragraph 11 of the conclusions of the 10th meeting of inventory lead reviewers, available at <http://unfccc.int/files/national_reports/annex_i_ghg_inventories/review_process/application/pdf/10thlrsmeeting_conclusionsrecommendations.pdf>.

[19] Decision 22/CMP.1, annex, paragraph 73.

review by the Party of the draft report, the consideration by the ERT of the comments by the Party to the draft report, and the final edit and publication.

F. Reporting

37. Regarding the implementation of reporting, participants discussed the possibility of replacing the reports of stages 1 and 2 (synthesis and assessment I) by other tools such as the "GHG data locator", or replacing the static reports with tools that enable customization of the analysis and the reports.

38. For stage 3 reports, participants recalled that decision 19/CP.8 indicates that "review reports should contain an objective assessment of the adherence of the inventory information to the reporting guidelines and the provisions of relevant decisions by the COP and should not contain any political judgement".[20]

39. Participants discussed possible additional recommendations related to the structure and content of the review reports. Participants broadly agreed that the reports could be more concise: 30 pages and 25 pages were identified as appropriate page limits for in-country and centralized reviews, respectively, and that the reports could consist of more tabular information. Participants suggested that to make the report more concise, information already publicly available should not be included. Some participants indicated that the report should also include recommendations to improve the quality of the inventory and some suggested that it include a prioritization of the recommendations (the influence of the category on emission or removal levels being the most important criterion).

IV. Outcome of the workshop

40. The workshop produced the draft revised UNFCCC Annex I inventory review guidelines, contained in document FCCC/SBSTA/2014/INF.10, which will be forwarded to SBSTA 40. The draft text, prepared on the basis of document FCCC/SBSTA/2014/INF.4, clearly shows the additions and deletions of text suggested by the participants during the technical discussions at the workshop.[21]

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[20] Paragraph 39 of the "Guidelines for the technical review of greenhouse gas inventories from Parties included in Annex I to the Convention", included in document FCCC/CP/2002/8.

[21] Minor structural changes made during the workshop and presented to participants are not shown as additions or deletions.